



OFFICE OF THE PRESIDENT & VICE PRESIDENT
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PRESIDENT SHELLY SIGNS APS LEASE AGREEMENT

\$172 million to benefit the Navajo Nation

WINDOW ROCK, AZ—Navajo Nation President Ben Shelly yesterday signed a 25-year lease agreement with Arizona Public Service Co. (APS) for \$7 million per year, even if the Four Corners Power Plant (FCPP) or the electrical transmission lines are no longer in operation.

“Protecting over 700 Navajo people employed at both the Four Corners Power Plant and BHP Billiton is my priority,” said President Shelly. “This is a step in the right direction and it’s a business decision we did not take lightly.”

President Shelly took into consideration revenues the FCPP generates for the Navajo Nation (Nation) approximately \$65 million in taxes, \$100 million in employment payroll, and \$7 million for the newly negotiated lease. This totaled \$172 million annually to benefit the Navajo Nation, with \$72 million going directly to its general fund. The FCPP and BHP Billiton also have significant impact on the local and regional economy.

According to the Nation’s Minerals Department, without the signed lease agreements the FCPP would shut down resulting in a \$42 million to \$50 million per revenue shortfall after July 2016.

“The Navajo Nation looks forward to building a strong partnership with APS, to protect existing jobs and create new ones, including future opportunities for our Navajo youth in the trades industry,” concluded President Shelly.

In addition, the Navajo Nation Environmental Protection Agency has stated the FCPP is in compliance with their environmental standards and they monitor the plant under a voluntary compliance agreement. The Nation’s EPA will further regulate the FCPP as authority is delegated from the U.S. Environmental Protection Agency.

Later this month, the Nation’s EPA plans to submit comment on the proposed Haze Rule to the U.S. EPA.

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